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HOUSE BILL 1680

State of Washington 54th Legislature 1995 Regular Session

By Representatives Hickel, Appelwick and Padden; by request of Administrator for the Courts

Read first time 02/03/95. Referred to Committee on Law & Justice.

- 1 AN ACT Relating to interest on court fines; and amending RCW
- 2 3.02.045, 3.46.120, 3.50.100, 35.20.220, 3.62.020, 3.62.040, 10.82.090,
- 3 and 36.18.190.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 3.02.045 and 1994 c 301 s 1 are each amended to read 6 as follows:
- 7 (1) Courts of limited jurisdiction may use collection agencies
- 8 under chapter 19.16 RCW for purposes of collecting unpaid penalties on
- 9 infractions, criminal fines, costs, assessments, civil judgments, or
- 10 forfeitures that have been imposed by the courts. Courts of limited
- 11 jurisdiction may enter into agreements with one or more attorneys or
- 12 collection agencies for collection of outstanding penalties, fines,
- 13 costs, assessments, and forfeitures. These agreements may specify the
- 14 scope of work, remuneration for services, and other charges deemed
- 15 appropriate. Such agreements may authorize collection agencies to
- 16 retain all or any portion of the interest collected on these accounts.
- 17 (2) Courts of limited jurisdiction may use credit cards or debit
- 18 cards for purposes of billing and collecting unpaid penalties, fines,
- 19 costs, assessments, and forfeitures so imposed. Courts of limited

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- 1 jurisdiction may enter into agreements with one or more financial
- 2 institutions for the purpose of the collection of penalties, fines,
- 3 costs, assessments, and forfeitures. The agreements may specify
- 4 conditions, remuneration for services, and other charges deemed
- 5 appropriate.
- 6 (3) Servicing of delinquencies by collection agencies or by 7 collecting attorneys in which the court retains control of its 8 delinquencies shall not constitute assignment of debt.
- 9 (4) For purposes of this section, the term debt shall include 10 penalties, fines, costs, assessments, or forfeitures imposed by the 11 courts.
- 12 (5) The court may assess as court costs the moneys paid for 13 remuneration for services or charges paid to collecting attorneys, to 14 collection agencies, or, in the case of credit cards, to financial 15 institutions.
- 16 **Sec. 2.** RCW 3.46.120 and 1988 c 169 s 1 are each amended to read 17 as follows:
- 18 (1) All money received by the clerk of a municipal department 19 including penalties, fines, bail forfeitures, fees and costs shall be 20 paid by the clerk to the city treasurer.
- (2) The city treasurer shall remit monthly thirty-two percent of 21 the <u>noninterest</u> money received under this section, other than for 22 23 parking infractions, and certain costs to the state treasurer. 24 "Certain costs" as used in this subsection, means those costs awarded to prevailing parties in civil actions under RCW 4.84.010 or 36.18.040, 25 or those costs awarded against convicted defendants in criminal actions 26 under RCW 10.01.160, 10.46.190, or 36.18.040, or other similar statutes 27 if such costs are specifically designated as costs by the court and are 28 29 awarded for the specific reimbursement of costs incurred by the state, county, city, or town in the prosecution of the case, including the 30 fees of defense counsel. Money remitted under this subsection to the 31 state treasurer shall be deposited as provided in RCW 43.08.250. 32
- 33 (3) The balance of the <u>noninterest</u> money received under this 34 section shall be retained by the city and deposited as provided by law.
- 35 (4) Penalties, fines, bail forfeitures, fees, and costs may accrue 36 interest at the rate of twelve percent per annum, upon commencement of 37 collection activity. Interest may accrue only while the case is in 38 collection status.

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- 1 (5) The due date for the payment of all penalties, fines, bail 2 forfeitures, fees, and costs is the date on which the court establishes 3 the obligation.
- 4 (6) Interest collected on penalties, fines, bail forfeitures, fees,
 5 and costs shall be split twenty-five percent to the state treasurer for
 6 deposit in the public safety and education account as provided in RCW
 7 43.08.250, twenty-five percent to the state treasurer for deposit in
 8 the judicial information system account as provided in RCW 2.68.020,
 9 twenty-five percent to the city general fund, and twenty-five percent
 10 to the city general fund for local court technology projects.
- 11 **Sec. 3.** RCW 3.50.100 and 1988 c 169 s 2 are each amended to read 12 as follows:
- 13 (1) Costs in civil and criminal actions may be imposed as provided 14 in district court. All fees, costs, fines, forfeitures and other money 15 imposed by any municipal court for the violation of any municipal or 16 town ordinances shall be collected by the court clerk and, together with any other noninterest revenues received by the clerk, shall be 17 18 deposited with the city or town treasurer as a part of the general fund 19 of the city or town, or deposited in such other fund of the city or town, or deposited in such other funds as may be designated by the laws 20 of the state of Washington. 21

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- (2) The city treasurer shall remit monthly thirty-two percent of the <u>noninterest</u> money received under this section, other than for parking infractions, and certain costs to the state treasurer. "Certain costs" as used in this subsection, means those costs awarded to prevailing parties in civil actions under RCW 4.84.010 or 36.18.040, or those costs awarded against convicted defendants in criminal actions under RCW 10.01.160, 10.46.190, or 36.18.040, or other similar statutes if such costs are specifically designated as costs by the court and are awarded for the specific reimbursement of costs incurred by the state, county, city, or town in the prosecution of the case, including the fees of defense counsel. Money remitted under this subsection to the state treasurer shall be deposited as provided in RCW 43.08.250.
- (3) The balance of the <u>noninterest</u> money received under this section shall be retained by the city and deposited as provided by law.
- 36 (4) Penalties, fines, bail forfeitures, fees, and costs may accrue
 37 interest at the rate of twelve percent per annum, upon commencement of

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- 1 <u>collection activity</u>. <u>Interest may accrue only while the case is in</u> 2 <u>collection status</u>.
- 3 (5) The due date for the payment of all penalties, fines, bail 4 forfeitures, fees, and costs is the date on which the court establishes 5 the obligation.
- (6) Interest collected on penalties, fines, bail forfeitures, fees, and costs shall be split twenty-five percent to the state treasurer for deposit in the public safety and education account as provided in RCW 43.08.250, twenty-five percent to the state treasurer for deposit in the judicial information system account as provided in RCW 2.68.020, twenty-five percent to the city general fund, and twenty-five percent to the city general fund, and twenty-five percent to the city general fund, and twenty-five percent
- 13 **Sec. 4.** RCW 35.20.220 and 1988 c 169 s 6 are each amended to read 14 as follows:
- 15 (1) The chief clerk, under the supervision and direction of the 16 court administrator of the municipal court, shall have the custody and care of the books, papers and records of said court; he shall be 17 18 present by himself or deputy during the session of said court, and 19 shall have the power to swear all witnesses and jurors, and administer oaths and affidavits, and take acknowledgments. He shall keep the 20 records of said court, and shall issue all process under his hand and 21 22 the seal of said court, and shall do and perform all things and have 23 the same powers pertaining to his office as the clerks of the superior 24 courts have in their office. He shall receive all fines, penalties and 25 fees of every kind, and keep a full, accurate and detailed account of the same; and shall on each day pay into the city treasury all money 26 received for said city during the day previous, with a detailed account 27 of the same, and taking the treasurer's receipt therefor. 28
- 29 (2) The city treasurer shall remit monthly thirty-two percent of 30 the noninterest money received under this section, other than for parking infractions and certain costs to the state treasurer. "Certain 31 costs" as used in this subsection, means those costs awarded to 32 prevailing parties in civil actions under RCW 4.84.010 or 36.18.040, or 33 34 those costs awarded against convicted defendants in criminal actions under RCW 10.01.160, 10.46.190, or 36.18.040, or other similar statutes 35 36 if such costs are specifically designated as costs by the court and are awarded for the specific reimbursement of costs incurred by the state, 37 county, city, or town in the prosecution of the case, including the 38

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fees of defense counsel. Money remitted under this subsection to the state treasurer shall be deposited as provided in RCW 43.08.250.

- 3 (3) The balance of the <u>noninterest</u> money received under this 4 section shall be retained by the city and deposited as provided by law.
- (4) Penalties, fines, bail forfeitures, fees, and costs may accrue interest at the rate of twelve percent per annum, upon commencement of collection activity. Interest may accrue only while the case is in collection status.
- 9 <u>(5) The due date for the payment of all penalties, fines, bail</u>
 10 <u>forfeitures, fees, and costs is the date on which the court establishes</u>
 11 <u>the obligation.</u>
- (6) Interest collected on penalties, fines, bail forfeitures, fees, and costs shall be split twenty-five percent to the state treasurer for deposit in the public safety and education account as provided in RCW 43.08.250, twenty-five percent to the state treasurer for deposit in the judicial information system account as provided in RCW 2.68.020, twenty-five percent to the city general fund, and twenty-five percent to the city general fund, and twenty-five percent to the city general fund, and twenty-five percent
- **Sec. 5.** RCW 3.62.020 and 1988 c 169 s 3 are each amended to read 20 as follows:
 - (1) Except as provided in subsection (4) of this section, all costs, fees, fines, forfeitures and penalties assessed and collected in whole or in part by district courts, except costs, fines, forfeitures and penalties assessed and collected, in whole or in part, because of the violation of city ordinances, shall be remitted by the clerk of the district court to the county treasurer at least monthly, together with a financial statement as required by the division of municipal corporations, noting the information necessary for crediting of such funds as required by law.
 - (2) The county treasurer shall remit thirty-two percent of the noninterest money received under subsection (1) of this section except certain costs to the state treasurer. "Certain costs" as used in this subsection, means those costs awarded to prevailing parties in civil actions under RCW 4.84.010 or 36.18.040, or those costs awarded against convicted defendants in criminal actions under RCW 10.01.160, 10.46.190, or 36.18.040, or other similar statutes if such costs are specifically designated as costs by the court and are awarded for the specific reimbursement of costs incurred by the state or county in the

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- 1 prosecution of the case, including the fees of defense counsel. Money 2 remitted under this subsection to the state treasurer shall be 3 deposited as provided in RCW 43.08.250.
- 4 (3) The balance of the <u>noninterest</u> money received by the county 5 treasurer under subsection (1) of this section shall be deposited in 6 the county current expense fund.
- 7 (4) All money collected for county parking infractions shall be 8 remitted by the clerk of the district court at least monthly, with the 9 information required under subsection (1) of this section, to the 10 county treasurer for deposit in the county current expense fund.
- 11 (5) Penalties, fines, bail forfeitures, fees, and costs may accrue 12 interest at the rate of twelve percent per annum, upon commencement of 13 collection activity. Interest may accrue only while the case is in 14 collection status.
- 15 <u>(6) The due date for the payment of all penalties, fines, bail</u> 16 <u>forfeitures, fees, and costs is the date on which the court establishes</u> 17 <u>the obligation.</u>
- (7) Interest collected on penalties, fines, bail forfeitures, fees, 18 19 and costs shall be split twenty-five percent to the state treasurer for 20 deposit in the public safety and education account as provided in RCW 43.08.250, twenty-five percent to the state treasurer for deposit in 21 the judicial information system account as provided in RCW 2.68.020, 22 23 twenty-five percent to the county current expense fund, and twenty-five 24 percent to the county current expense fund for local court technology 25 projects.
- 26 **Sec. 6.** RCW 3.62.040 and 1988 c 169 s 4 are each amended to read 27 as follows:
- (1) Except as provided in subsection (4) of this section, all costs, fines, forfeitures and penalties assessed and collected, in whole or in part, by district courts because of violations of city ordinances shall be remitted by the clerk of the district court at least monthly directly to the treasurer of the city wherein the violation occurred.
- (2) The city treasurer shall remit monthly thirty-two percent of the <u>noninterest</u> money received under this section, other than for parking infractions and certain costs, to the state treasurer. "Certain costs" as used in this subsection, means those costs awarded to prevailing parties in civil actions under RCW 4.84.010 or 36.18.040,

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- 1 or those costs awarded against convicted defendants in criminal actions
- 2 under RCW 10.01.160, 10.46.190, or 36.18.040, or other similar statutes
- 3 if such costs are specifically designated as costs by the court and are
- 4 awarded for the specific reimbursement of costs incurred by the state,
- 5 county, city, or town in the prosecution of the case, including the
- 6 fees of defense counsel. Money remitted under this subsection to the
- 7 state treasurer shall be deposited as provided in RCW 43.08.250.
- 8 (3) The balance of the <u>noninterest</u> money received under this 9 section shall be retained by the city and deposited as provided by law.
- 10 (4) All money collected for city parking infractions shall be 11 remitted by the clerk of the district court at least monthly to the 12 city treasurer for deposit in the city's general fund.
- 13 (5) Penalties, fines, bail forfeitures, fees, and costs may accrue
- 14 <u>interest at the rate of twelve percent per annum, upon commencement of</u>
- 15 <u>collection activity</u>. <u>Interest may accrue only while the case is in</u>
- 16 <u>collection status</u>.
- 17 (6) The due date for the payment of all penalties, fines, bail
- 18 forfeitures, fees, and costs is the date on which the court establishes
- 19 the obligation.
- 20 (7) Interest collected on penalties, fines, bail forfeitures, fees,
- 21 and costs shall be split twenty-five percent to the state treasurer for
- 22 deposit in the public safety and education account as provided in RCW
- 23 43.08.250, twenty-five percent to the state treasurer for deposit in
- 24 the judicial information system account as provided in RCW 2.68.020,
- 25 twenty-five percent to the city general fund, and twenty-five percent
- 26 to the city general fund for local court technology projects.
- 27 **Sec. 7.** RCW 10.82.090 and 1989 c 276 s 3 are each amended to read 28 as follows:
- 29 Financial obligations imposed in a judgment shall bear interest
- 30 from the date of the judgment until payment, at the rate applicable to
- 31 civil judgments. All nonrestitution interest shall be split twenty-
- 32 <u>five percent to the state treasurer for deposit in the public safety</u>
- 33 and education account as provided in RCW 43.08.250, twenty-five percent
- 34 to the state treasurer for deposit in the judicial information system
- 35 account as provided in RCW 2.68.020, twenty-five percent to the county
- 36 <u>current expense fund</u>, and twenty-five percent to the county current
- 37 <u>expense fund for local court technology projects.</u>

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1 **Sec. 8.** RCW 36.18.190 and 1994 c 185 s 9 are each amended to read 2 as follows:

3 Superior court clerks may contract with collection agencies or may 4 use county collection services for the collection of unpaid court obligations. The costs for the agencies or county services shall be 5 paid by the debtor. Collection may not be initiated with respect to a 6 7 criminal offender who is under the supervision of the department of 8 corrections without the prior agreement of the department. Such 9 agreements may authorize collection agencies to retain all or any portion of the interest collected on these accounts. 10

Any contract with a collection agency shall be awarded only after competitive bidding. Factors that a court clerk shall consider in awarding a collection contract include but are not limited to: (1) A collection agency's history and reputation in the community; and (2) the agency's access to a local data base that may increase the efficiency of its collections.

The servicing of an unpaid court obligation does not constitute assignment of a debt, and no contract with a collection agency may remove the court's control over unpaid obligations owed to the court.

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